

2013 Howard County Property Tax Report with Comparison to 2012

Legislative Services Agency

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This report describes property tax changes in Howard County between 2012 and 2013.

Property tax changes in 2013 were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. However, three statewide trends affected a large number of counties.

- First, pay-2013 was a statewide reassessment year. In past reassessments there were double-digit percentage increases in assessed values, but this time assessments were almost unchanged statewide. The difference was trending, which has been adjusting assessments annually since 2007. Few counties experienced large assessment increases in 2013. Many experienced assessment decreases.
- Second, farmland assessments continued to rise, with the base rate of an acre increasing 8.7% from \$1,500 to \$1,630. High commodity prices and low interest rates were the reason. Rising farmland assessments were especially important in rural counties, where farmland is a larger part of total assessed value.
- Third, many local income tax credit rates increased substantially. This was due to a corrected distribution of local income tax revenues to local governments. Extra income tax revenue was applied to tax credits in 2013. This may mean that credit rates will fall (and tax bills will rise) in 2014.

Still, local factors were most influential in individual counties in 2013. Here is what affected taxes in Howard County.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2013	1.9%	\$104,640,459	\$3,539,196,472	9.8%
Change		9.4%	-3.4%	
2012	3.5%	\$95,608,640	\$3,662,847,626	4.7%

Comparable Homestead Property Tax Changes in Howard County

The total tax bill for all taxpayers in Howard County increased by 1.9% in 2013. The main reason was a 9.4% increase in the levy, which was partly offset by an increase in local property tax credits. An increase in tax cap credits as a share of the levy from 4.7% in 2012 to 9.8% in 2013 also held the tax bill increase below the levy rise. In this reassessment year, certified net assessed value decreased by 3.4%.

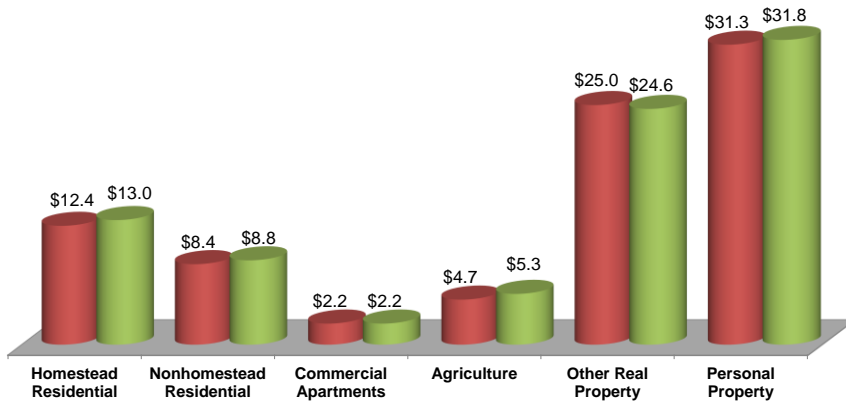
Howard County homeowners experienced a 3.9% decrease in property tax bills in 2013. A decrease in homestead net assessed value and an increase in local homestead credits more than offset an increase in property tax rates. Statewide, the average homeowner's tax bill was almost unchanged.

	2012 to 2013	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	7,851	40.6%
No Change	957	5.0%
Lower Tax Bill	10,524	54.4%
Average Change in Tax Bill	-3.9%	
Detailed Change in Tax Bill		
20% or More	1,206	6.2%
10% to 19%	2,013	10.4%
1% to 9%	4,632	24.0%
-1% to 1%	957	5.0%
-1% to -9%	5,844	30.2%
-10% to -19%	2,953	15.3%
-20% or More	1,727	8.9%
Total	19,332	100.0%

Note: Percentages may not total due to rounding.

Comparison of Net Property Tax by Property Type (In Millions)

■ 2012 - Total \$84.0 ■ 2013 - Total \$85.7



In Howard County most net property taxes were paid by business (other real and personal) property owners in 2013. Total net property taxes increased 1.9%, slightly less than the 2.1% increase statewide. Agriculture saw the biggest percentage increase, while business real net taxes decreased by the largest percentage.

Property tax rates increased in all 18 Howard County tax districts in 2013. The average tax rate rose by 13.3% because of a large levy increase and a decrease in certified net assessed value. Statewide, the average tax rate increased by 4.2%.

compared to a 3.7% statewide levy increase. Detailed levy changes for local governments in Howard County are included in a later table.

The total levies of all government units in Howard County increased by 9.4%,

Property Type	Gross AV Pay 2012	Gross AV Pay 2013	Gross AV Change	Net AV Pay 2012	Net AV Pay 2013	Net AV Change
Homesteads	\$2,392,019,389	\$2,337,718,110	-2.3%	\$857,189,308	\$825,012,630	-3.8%
Other Residential	546,552,582	551,416,900	0.9%	541,193,001	546,669,105	1.0%
Ag Business/Land	271,957,700	292,328,000	7.5%	270,896,049	291,094,570	7.5%
Business Real/Personal	2,358,319,754	2,249,453,862	-4.6%	1,977,479,940	1,876,603,911	-5.1%
Total	\$5,568,849,425	\$5,430,916,872	-2.5%	\$3,646,758,298	\$3,539,380,216	-2.9%

Net AV equals gross AV less deductions and exemptions. Certified net AV is set with the budget, certified by the county auditor and used to calculate tax rates. It may be adjusted by the auditor to account for appeals. Net AV in the above table is summed from tax bills. It includes TIF allocations while Certified net AV does not. Gross AV also is summed from tax bills. Circuit breaker tax caps are calculated on gross AV.

Howard County's total billed net assessed value decreased by 2.9% in 2013. Declines in business real and personal property assessments were the main reason. Net assessed value for all of Indiana was nearly unchanged, rising by only 0.1%.

Tax Cap Category	2012	2013	Difference	% Change
1%	\$25,764	\$90,388	\$64,624	250.8%
2%	4,147,152	6,931,771	2,784,619	67.1%
3%	317,153	3,211,746	2,894,594	912.7%
Elderly	14,616	63,286	48,671	333.0%
Total	\$4,504,684	\$10,297,191	\$5,792,507	128.6%
% of Levy	4.7%	9.8%		

Total tax cap credits in Howard County were \$10.3 million, which was 9.8% of the levy. This was less than the state average of 10.9%, but more than the median or typical county percentage of 4.2%. Tax rates were the main determinant of tax cap credits. Howard County's average tax rate was above the statewide average

rate. Tax cap credits as a percentage of the levy were below the statewide average because the county offers homeowners large property tax credits, funded by local income taxes. Most of the tax cap credits in Howard County were in the 2% nonhomestead residential/farmland category. A later table shows tax cap credits by category for each local government unit.

Tax cap credits in Howard County increased \$5,792,507 between 2012 and 2013. Credits as a share of the total levy rose to 9.8% in 2013 from 4.7% in 2012.

Howard County Levy Comparison by Taxing Unit

Taxing Unit						% Change			
	2009	2010	2011	2012	2013	2009 - 2010	2010 - 2011	2011 - 2012	2012 - 2013
<i>County Total</i>	93,254,197	95,329,814	94,915,602	95,608,640	104,640,459	2.2%	-0.4%	0.7%	9.4%
Howard County	17,929,142	18,090,015	19,344,737	17,713,532	18,421,518	0.9%	6.9%	-8.4%	4.0%
Center Township	1,436,254	1,599,628	1,622,151	1,684,072	1,485,245	11.4%	1.4%	3.8%	-11.8%
Clay Township	39,595	40,882	42,031	43,184	8,304	3.3%	2.8%	2.7%	-80.8%
Ervin Township	54,433	56,526	57,950	57,691	55,331	3.8%	2.5%	-0.4%	-4.1%
Harrison Township	196,236	199,219	175,734	208,164	189,482	1.5%	-11.8%	18.5%	-9.0%
Honey Creek Township	49,211	50,159	46,036	46,931	54,073	1.9%	-8.2%	1.9%	15.2%
Howard Township	61,443	63,729	62,744	61,648	68,832	3.7%	-1.5%	-1.7%	11.7%
Jackson Township	20,221	20,955	20,836	20,008	19,941	3.6%	-0.6%	-4.0%	-0.3%
Liberty Township	64,839	67,225	69,056	69,851	73,137	3.7%	2.7%	1.2%	4.7%
Monroe Township	31,717	32,905	33,752	33,648	35,814	3.7%	2.6%	-0.3%	6.4%
Taylor Township	177,167	174,707	170,113	170,641	153,408	-1.4%	-2.6%	0.3%	-10.1%
Union Township	30,898	32,010	27,213	33,914	33,832	3.6%	-15.0%	24.6%	-0.2%
Kokomo Civil City	33,346,830	34,606,835	35,510,301	36,644,527	42,173,839	3.8%	2.6%	3.2%	15.1%
Greentown Civil Town	363,920	377,754	387,936	387,890	387,829	3.8%	2.7%	0.0%	0.0%
Russiaville Civil Town	239,430	247,886	251,558	259,284	268,133	3.5%	1.5%	3.1%	3.4%
Taylor Community School Corp	3,709,299	3,448,145	3,378,569	2,967,484	3,579,954	-7.0%	-2.0%	-12.2%	20.6%
Northwestern School Corp	5,625,590	5,808,605	5,105,129	5,630,706	6,040,977	3.3%	-12.1%	10.3%	7.3%
Eastern Howard Community School Corp	3,754,277	3,716,276	3,770,309	3,838,068	4,026,006	-1.0%	1.5%	1.8%	4.9%
Western School Corp	5,318,621	5,587,524	5,135,607	5,270,982	5,138,658	5.1%	-8.1%	2.6%	-2.5%
Kokomo-Center Township Cons School Corp	15,868,325	15,983,560	14,446,215	15,040,771	16,853,051	0.7%	-9.6%	4.1%	12.0%
Greentown Public Library	242,675	251,777	258,411	266,361	274,032	3.8%	2.6%	3.1%	2.9%
Kokomo-Howard County Public Library	3,990,437	4,143,368	4,250,737	4,386,422	4,506,283	3.8%	2.6%	3.2%	2.7%
Howard County Solid Waste Mgmt Dist	703,637	730,124	748,477	772,861	792,780	3.8%	2.5%	3.3%	2.6%

Howard County 2013 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT	CEDIT	CEDIT	LOIT	LOIT	
				Homestead	Homestead	Residential	Homestead	Residential	
34001	Center Township	1.7317	--	--	--	--	43.3487%	--	0.9810
34002	Kokomo City - Center Township	3.2779	--	--	--	--	43.3487%	--	1.8570
34003	Kokomo City - Clay Township	3.1934	--	--	--	--	43.3487%	--	1.8091
34006	Kokomo City - Harrison Township	3.4982	--	--	--	--	43.3487%	--	1.9818
34007	Kokomo City - Howard Township	3.1965	--	--	--	--	43.3487%	--	1.8109
34010	Jackson Township	2.3647	--	--	--	--	43.3487%	--	1.3396
34011	Liberty Township	2.3724	--	--	--	--	43.3487%	--	1.3440
34012	Greentown Town	3.2019	--	--	--	--	43.3487%	--	1.8139
34015	Kokomo City - Taylor Township	3.8414	--	--	--	--	43.3487%	--	2.1762
34016	Union Township	2.3720	--	--	--	--	43.3487%	--	1.3438
34017	Clay Township	1.5524	--	--	--	--	43.3487%	--	0.8795
34018	Ervin Township	1.5939	--	--	--	--	43.3487%	--	0.9030
34019	Harrison Township	1.9270	--	--	--	--	43.3487%	--	1.0917
34020	Honey Creek Township	1.9363	--	--	--	--	43.3487%	--	1.0969
34021	Russiaville Town	3.0157	--	--	--	--	43.3487%	--	1.7084
34022	Howard Township	1.5845	--	--	--	--	43.3487%	--	0.8976
34023	Monroe Township	1.8939	--	--	--	--	43.3487%	--	1.0729
34024	Taylor Township	2.2899	--	--	--	--	43.3487%	--	1.2973

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Howard County 2013 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total	Levy	
<i>Non-TIF Total</i>	90,388	6,931,771	3,211,746	63,286	10,297,191	104,640,459	9.8%
<i>TIF Total</i>	0	0	0	0	0	0	
<i>County Total</i>	90,388	6,931,771	3,211,746	63,286	10,297,191	104,640,459	9.8%
Howard County	13,636	1,106,354	498,856	10,519	1,629,365	18,421,518	8.8%
Center Township	468	109,643	53,681	830	164,622	1,485,245	11.1%
Clay Township	0	40	7	4	51	8,304	0.6%
Ervin Township	0	0	0	37	37	55,331	0.1%
Harrison Township	395	6,231	3,334	117	10,077	189,482	5.3%
Honey Creek Township	13	759	13	7	792	54,073	1.5%
Howard Township	0	6	398	25	429	68,832	0.6%
Jackson Township	3	2,040	0	4	2,047	19,941	10.3%
Liberty Township	50	5,438	282	24	5,794	73,137	7.9%
Monroe Township	3	0	0	2	5	35,814	0.0%
Taylor Township	170	10,604	2,208	137	13,119	153,408	8.6%
Union Township	3	2,537	0	5	2,545	33,832	7.5%
Kokomo Civil City	39,343	3,034,705	1,558,962	26,656	4,659,665	42,173,839	11.0%
Greentown Civil Town	846	52,878	6,833	228	60,785	387,829	15.7%
Russiaville Civil Town	335	25,760	452	170	26,718	268,133	10.0%
Taylor Community School Corp	8,096	363,165	132,630	5,293	509,185	3,579,954	14.2%
Northwestern School Corp	30	6,144	38,043	1,832	46,049	6,040,977	0.8%
Eastern Howard Community School Corp	2,232	336,726	13,299	1,125	353,382	4,026,006	8.8%
Western School Corp	15,202	263,969	127,972	3,617	410,761	5,138,658	8.0%
Kokomo-Center Township Cons School Corp	5,428	1,271,427	622,483	9,454	1,908,792	16,853,051	11.3%
Greentown Public Library	152	22,919	905	77	24,053	274,032	8.8%
Kokomo-Howard County Public Library	3,397	262,813	129,920	2,670	398,800	4,506,283	8.8%
Howard County Solid Waste Mgmt Dist	587	47,613	21,469	453	70,121	792,780	8.8%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over. The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.